

Minutes of the Colorado Commission on Higher Education (CCHE) Meeting  
CSU – Ft. Collins  
November 6, 2014

Chairman Kaufman called the meeting to order at 10:50am

Chairman Dick Kaufman, Vice Chair Pacey, Commissioners Luis Colon, Jeanette Garcia, Vanecia Kerr, Monte Moses, and BJ Scott attended. Also in attendance were CCHE Advisory Committee members Wayne Artis, Dr. Barbara Morris, Mark Superka and Melissa Wagner.

Vice Chair Pacey moved to approve the minutes of the October 2, 2014 CCHE meeting. The motion was seconded by Commissioner Colon and passed unanimously.

Dr. Tony Frank, President of CSU-Ft. Collins welcomed the Commission to the campus. He told the Commissioners that there has been real movement in the graduation rate increases towards the university's goal of 80 percent graduation rate. The attainment gap between minority and majority students when accounting for economic status has been reduced to zero. CSU-Ft. Collins has moved into the top 10 percent of all research universities in the country regardless of size, shape, medical school, public, private, and remain one of the most productive research universities in the country.

#### **EXECUTIVE DIRECTOR REPORT**

Lt. Governor Joe Garcia, Executive Director, told the Commission that there are still questions on the outcome of the election held two days previously. Some of the state legislative results are still too close to call and there may be mandatory recounts. He invited Mark Cavanaugh, Chief Legislative and Strategic Policy Officer, to join him with more information on the results. Mr. Cavanaugh stated that it appeared Democrats would retain the House but the outcome of the Senate majority was still too close. He said there is a possibility that Representative Jenice May has lost her race. This is of import to the Commission as she serves on the HB14-1319 Executive Advisory Group and is integral to the ongoing process of the bill. Rep. May also serves on the Joint Budget Committee. The Lt. Governor also mentioned that the Department will have to wait to see who will be chairing both the House and Senate Education Committees, also very important to the Department.

Lt. Governor reported that the Colorado Completes! tour has concluded. Thirty submissions from institutions were submitted highlighting their successful completion programs. Eight campuses were selected and events highlighting the programs were visited in the month of October. Local media were present and the coverage was very good. The Commissioners were asked their thoughts on making this an annual event to continue to promote these programs or possibly arrange a summit that will bring all the institutions together to share their best practices. Completion is one of the goals listed in the Master Plan.

The Lt. Governor then updated the Commissioners on HB14-1319. The FAMET will meet the week of November 10<sup>th</sup> and will be looking at a draft model and the scenarios that meet the directives of the bill and the goals of the master plan, the project principles that the Commission had reviewed and approved, and the feedback learned through the public education and outreach process. The EAG will meet two days later to view the draft model and hear about the discussions the FAMET had. The process will continue at the November 19<sup>th</sup> (FAMET) and 21<sup>st</sup> (EAG) meetings. The best model and other scenarios for consideration will be brought to the Commission at the December 4<sup>th</sup> CCHE meeting.

The Lt. Governor then introduced the newest Commissioner appointed by Governor Hickenlooper, Vanecia Kerr. She is replacing Commissioner Jim Polsfut and represents the 6<sup>th</sup> Congressional District. Commissioner Kerr told her fellow Commissioners and the audience that she is the managing director of a non-profit organization called City Year. City Year is an AmeriCorps program that identifies young leaders, age 17-24, to go into schools as full time tutors, mentors and role models.

Commissioner Kerr said that she is passionate about education, not only K-12 but higher education as well, as she understands what education has done for her and her family. She is one of the first people in her family to graduate from college and believes in how important education is to changing the trajectory of children, how education can change the lives of communities, and how the power of education can open doors. She is looking forward to sharing her passion for education by serving on the CCHE.

## **COMMISSIONERS AND ADVISORS REPORTS**

Advisor Wayne Artis informed the Commission that the Colorado Faculty Advisors met on October 10<sup>th</sup> and thanked both Dr. Ian Macgillivray and Kachina Weaver for presenting.

## **CONSENT ITEMS**

- A. Recommend Approval of the 2015 Commission Meeting Schedule**
- B. Recommend Approval of Associate of Arts in Geography and Associate of Arts in Philosophy Degrees with Designation at Colorado Mountain College**
- C. Recommend Approval of Statewide Transfer Articulation Agreement in Communication**
- D. Two-Year Cash Funded Capital Program List Amendment-Fort Lewis College**
- E. Two-Year Cash Funded Capital Program List Amendment and Program Plan Approval-Colorado State University**

Commissioner Scott moved to approve the consent items. The motion was seconded by Commissioner Colon and unanimously passed.

## **DISCUSSION ITEMS**

**Revisions to Commission Policy I, W: Policy and Procedures for Authorization of a State Institution of Higher Education to Provide Supplemental Academic Instruction** - Dr. Ian Macgillivray, Director of Academic Affairs, presented this item. Dr. Macgillivray reminded the Commissioner that supplemental academic instruction (SAI) allows students with remedial needs to stay at their four year institution and get extra help while they enroll in credit bearing coursework, rather than going to a community college to finish remedial education first. He explained that the main purpose of revising this policy was to remove the regulatory burden of institutions seeking Commission reauthorization of their SAI program every three years and to replace it with an outcomes based stipulation that if three consecutive years of data show the SAI program to be unsuccessful at increasing student success then the Commission may require the institution to revise its SAI program.

The revision process was also an opportunity to clarify the policy based on feedback from the institutions. It was vetted with the Academic Council and members of the original task force who created the policy.

This item will be brought before the CCHE at the December meeting for a vote of approval.

Commissioner Garcia asked if institutions can receive stipends on behalf of the eligible students and if that comes from COF (College Opportunity Fund). Dr Macgillivray responded that was correct. Commissioner Garcia then asked if an institution has to designate that the courses they are offering under SAI are credit bearing or non-credit bearing at the time they apply for the authorization. Dr Macgillivray responded that they do. Commissioner Garcia wanted to know what the circumstances would be for an institution to want to give no credit if there can be COF stipend money attached to it. Dr. Macgillivray said he did not have an answer to that as he hasn't seen an example of that.

Commissioner Garcia asked if the grade of a C or higher would be the criteria used in deciding whether a student was successful or not in the new three consecutive years of data. Dr. Macgillivray replied that not only the grade in the credit bearing course would be used but also the grades in subsequent coursework. The Commissioner was unclear if successful meant a grade of a certain caliber or successful meant not receiving an F or failing. Dr. Macgillivray said that the grade should be a C minus or higher to be considered successful.

Commissioner Garcia then asked how best practices would be shared in the future. Dr. Macgillivray replied that although nothing had been decided yet, there is discussion about having another summit, similar to the summit held with Complete College America bringing in resources but there are other possibilities.

Commissioner Garcia asked if the institutions get credit for students having completed the SAI course that is taught co-requisitely with the credit bearing course and if completion of the SAI course would give institutions a bump for the purpose of 1319 funding model. Jennifer Sobanet, Chief Operating Officer, replied that the information to answer the question is being checked

with the data department and the answer to that question will either be addressed during the HB14-1319 portion of the agenda or answered after further research.

Commissioner Scott asked if the feedback from the Academic Council and the original task force was positive. Dr. Macgillivray replied that it was.

**Revisions to Commission Policy I, V: Policy and Procedures for the Approval of new Academic Programs in Public Institutions of Higher Education in Colorado Operating Under a Performance Contract** - Dr. Ian Macgillivray explained that currently the department and the Commission do not acknowledge certificates at four year institutions and there is no mechanism for getting those approved and entering them in SURDS (Student Unit Records Data System) thus allowing institutions to report enrollment and completion in certificate programs. The purpose of this revision is to have those certificate programs state approved and entered in SURDS. The revisions will also reduce regulation and allow department staff to attend to non-substantive changes to already approved programs without coming to the Commission for approval. This policy revision does not change current practice which has been in place for six years and it reduces the number of new program requests for which staff have to prepare commission agenda items. The policy revision proposes to keep the current practice for community college programs in place and to create a mechanism for four year institutions to similarly have their certificates reviewed and entered into SURDS and proposes that department staff handle the non-substantive changes, such as degree name change or a closure of a program. The revision also adds language regarding extra review and approval requirements for educator preparation programs and for baccalaureate degrees at CSU-Global, Colorado Mountain College and within the Colorado Community College System that have specific requirements for review and approval.

This revision was vetted with the appropriate groups with positive results. This item will be brought before the CCHE at the December meeting for a vote of approval.

Lt. Governor Garcia asked if these certificates would count in the HB14-1319 financial formula, giving more dollars for the four year institutions. Dr. Macgillivray replied this is a very small number of programs and would likely not affect 1319. Dr. Macgillivray added he met with the 1319 team and the Department's Institutional Reporting staff and they all agreed that now is good timing for this policy revision and to get those certificates into SURDS. He further stated that the community college was not concerned about a proliferation of certificates at the four year institutions and that one concern expressed to him was more about mission creep because the two year institutions offer CTE certificates and the certificates from four year institutions are not considered CTE certificates. Dr. Macgillivray felt he had successfully dealt with those concerns.

**Fiscal Year 2015-16 Budget Update** – Jennifer Sobanet and Mark Cavanaugh told the Commission that in FY 2013-14 there was an increase of \$30 million in operating funds for higher education and in the current year, FY2014-15, there is an increase of \$60 million in operating funds and \$40 million in financial aid. For the FY2015-16 year, the request from the Governor's office to the Joint Budget Committee is an increase of \$75.6 million General Fund for public institutions of higher education comprised of \$60.6 million for continuation of the 6

percent of lower tuition cap and a five-year a five-year implementation “guardrail”/ performance transition sum, estimated at \$15.0 million to implement HB14-1319. These proportions are currently estimates and may change within this \$75.6 million General Fund request for the January 15th allocation of the request. Due to the \$40 million increase in financial aid during the current year, the Office of State Planning and Budget requested a waiver from the statutory requirement for the financial aid calibration, resulting in a zero increase for financial aid in FY2015-16. The increase in the higher education funding over the past three years, it was noted, is restored funding rather than increased funding.

Also requested is \$30.0 million for the College Opportunity Scholarship Initiative (COSI), \$0.2 million in reappointed funds to maintain research and data functions, \$0.1 million for the Colorado Geological Survey at Colorado School of Mines and \$1.1 million for the Fort Lewis Native American Tuition Waiver. The Governor’s request also included \$83.2 million in prioritized capital construction projects.

Regarding the \$15 million to implement HB14-1319, Ms. Sobanet told the Commission that the Governor’s office offered flexibility to see the final result of HB14-1319 as to how that \$60 million and \$15 million need to be used. The final distribution may be \$55 million on the operating side and \$20 million on the 1319 transition side, for example. This makes it difficult, as the institutions are used to having the number for their base funding allowing them to start running their models and to be able to understand their tuition needs in order to run their operations. The formula for HB14-1319 will be brought to the Commission at the December 4<sup>th</sup> CCHE meeting. At that time the actual allocation formula will be presented.

Commissioner Moses asked if the \$15 million is an annual increase over the next five years. Ms. Sobanet responded that it was. Lt. Governor Garcia stated that the \$15 million is no more definitive than the base budget is each year, as it is based partly on history but more on current revenues and other expenses. The budget could be increased beyond the \$15 million or fall below it.

Commissioner Garcia asked if there is a part of the COSI which states that a student may be non-Pell eligible to apply for a portion of the funds and whether or not the scholarship addresses the needs besides student loans and parent loans to help middle class students get through school without too much debt. Ms. Sobanet replied that COSI actually does move its way into the middle class because it is not just Pell eligible students but 150 percent or higher of Pell is the eligibility. Written into the legislation is the rigor based work where students have to demonstrate that they are college ready to go into the program. Lt. Governor Garcia noted that the sponsors of the COSI scholarship initiative did not want it to be only about being poor enough to get the money. A student also had to demonstrate commitment to academic success; hence there is a rigor component to it. COSI is looking at several different approaches, whether it will be 150 percent of Pell or 200 percent of Pell. The attempt is to reach out into more middle class families and is a function of how much money is available.

## **ACTION ITEMS**

**Revisions to Admissions Policy** – Dr. Rhonda Epper, Chief Student Success and Academic Affairs Officer and Carl Einhaus, Director of Student Affairs previously presented the revisions to the admissions policy as a discussion item at the September CCHE meeting. Since then there have been ongoing discussions with the Admissions Council, the Academic Council and the policy implementation committee about the revisions. The outcomes of these discussions are additional changes to the policy. Mr. Einhaus highlighted the changes since the September CCHE meeting.

- 1) Removal of all references in the policy to a “minimum” admission standard for first time students is proposed. The institutions felt that submitting minimum standards contradict the new policy in which the institutions will be advertising a 50 percent range, average range of GPA and test scores instead of minimum scores. Minimum scores are misrepresentative when it comes to talking to the public about admission standards because it can lead to individuals thinking that if they meet the minimum standards that they would be admitted which is not the case in some situations. Conversely, there will be some situations in which a student might not meet the minimum standards (for example, the minimum GPA and test scores) but have other positive indicators in their academics (for example, rigorous course profile and positive trend in grades) in which the institution would like to admit them. As a result, the proposal is to state in the policy that we are asking for the mid 50 percent range of test scores instead of minimum standards. In relation to that change, the window will also be removed, as it has no purpose or meaning anymore.
- 2) Clarification on the guaranteed transfer admission for students who have an associate of arts and an associate of science. A need was expressed to make the exceptions clearer - the Academic Council made recommendations which the Admissions Council agreed upon.
- 3) Removal of the college readiness requirement grid (which includes assessment test cut-scores). That grid’s true home is in the remedial policy. It is basically a replication of that grid in the admissions policy. Having that grid in multiple policies is inefficient and could lead to it not being updated in other policies.

Commissioner Garcia confirmed with Mr. Einhaus that some institutions may be using the new admissions policies by the fall of 2016. She inquired which institutions will be using the new policies whether or not the high schools are concerned about only having are concerned that this year’s juniors will only have three semesters to meet those institutions admission requirements.

Mr. Einhaus replied that he has been traveling around the state talking about the new admissions policy to high school counselors. Some of their concerns are who is going to be on the new policy in the fall of 2016 and who is not and how do they best prepare the students right now. What is helpful about the new admissions policy is that it is a reflection of what the admissions practices are right now from many of the institutions in Colorado. It is not going to be a significant change, as many of the high school counselors and other individuals who advise

students in admissions practices already have given these recommendations that are now going to be reflected in the new admissions policy. Additionally, there is a new web based admissions tool being worked on right now with College in Colorado which will clearly detail admission standards at each public institution.

Advisor Wagner asked if the program such as Naviance, similar to the ICAP (Individual Career and Academic Plans) at College in Colorado would also be an admissions tool.

Mr. Einhaus replied that Naviance is one of the different version of the ICAP used in Colorado. One of the ideas being talked about is using the College in Colorado ICAP to directly feed all the academic credentials for a student into the admissions tool which would have less guesswork and errors in identifying the student's GPA, what courses they took and what their test scores were.

Advisor Wagner asked if the college in Colorado in Colorado program has been set up for 6<sup>th</sup> graders for the new graduation guideline requirements in 2021. Mr. Einhaus told Advisor Wagner that he would get back to her with a definitive answer.

Lt. Governor Garcia asked Mr. Einhaus to further explain the index, the purpose it serves, the resistance to moving away from what seemed a very simple tool to something that is more complicated, and the fact that school counselors often use that index to direct students to certain institutions.

Mr. Einhaus summarized that the index becomes more of a reporting burden and less of a predictor of success for institutions and for the students they were admitting. Some institutions would look at the index scores in relation to other factors and found out that GPA and the types of courses taken are more often a better predictor of success than the index score. The admissions task force found that one of the reasons why the index was created was a means to disburse students throughout the state so that institutions with a more selective mission would not dip into a moderately selective or modified open institution's candidate pool. He provided the example of Colorado State University had a decrease in admission numbers one year, there might have been a concern that they would start admitting students that were more in Metro's mission and student population, thusly potentially negatively impacting Metro's admission numbers. With the new performance funding coming up it would not behoove the institutions to admit students who would not be successful at their university or college, and as a result, has addressed any concerns with eliminating the index.

Lt. Governor Garcia said that the new admissions policy allows institutions to serve the students they think they can best serve and it doesn't steer students to particular institutions based on simply one number.

Dr. Epper added that an additional component of the new policy is a much more expanded definition of the concept of rigor. In the past there were the HEAR (Higher Education Admission Requirements) standards, which was a sequence of courses that was recommended for high school students to take. In the new policy the HEAR requirements are still included but also incorporates other components of rigor that can be considered by an institution, such as Advanced Placement (AP) courses, International Baccalaureate (IB) courses, and concurrent

enrollment courses. The policy also incorporates the notion of competency based education, which is part of the new high school graduation guidelines. She added that when that when the policy comes online when the new admissions requirements are fully in effect in 2019 and the graduation guidelines come into effect in 2021, there will likely be more competency based transcripts considered under the definition of rigor.

Commissioner Moses moved to approve the revisions to the admission policy. The motion was seconded by Vice Chair Pacey and unanimously passed.

**HB14-1319 Project Update and EAG Recommendations** – Kachina Weaver, Project Manager for HB14-1319 reminded the Commission that the legislation requires the Commission to submit the new model by January 1<sup>st</sup>; therefore, the Department has set a goal of developing a CCHE-approved model by December 5<sup>th</sup>. The reasons for the department's earlier deadline are threefold: The Commissioner will not meet again after the December 4<sup>th</sup> CCHE meeting before the deadline that the bill specifies, so therefore it is important to bring the final results of the 1319 project to the Commissioners at December 4<sup>th</sup> meeting; the JBC budget hearings and the Smart Act hearings will start to happen in December and it will be very important for the Department to be able to come forward at both of those hearings with the results of the 1319 project and walk through those; and, it is important to walk through the results of this project and the process with the remainder of the legislature, to make sure they understand how the final results were reached, so that any decisions or thoughts that they have on the results of this project are coming from an informed place during the new legislative session.

Another deadline in the bill was November 1<sup>st</sup> for the Commission to submit a progress report to the legislature. That report, titled the Preliminary Working Document, was included with this item. The bill requires that a draft of the factors and metrics, with their weights that the Commission is considering, pursuant to the bill. It does not include the specific allocations to each governing board. In the document are the proposed definitions and the data sources. The FAMET and the EAG worked through those recommendations and at the October 2<sup>nd</sup> meeting the Commission finalized their opinions on the draft definitions and data sources.

In order to get the funding model built, the FAMET and the EAG had to provide the model builders with some preliminary assumptions. The percentages in this working document are preliminary and some of them will change significantly. A report with more depth and detail was submitted with the preliminary working document to both the legislature and the JBC.

The FAMET is meeting on November 10<sup>th</sup> for their first look at the draft funding model and will hopefully come to consensus on the model. The EAG meets on November 12<sup>th</sup> for an update on the model. They will be shown the architecture of the model, and the different scenarios will be discussed. Feedback from the EAG will be requested but they will not move into any decision making. The decision making for both the FAMET and the EAG will be November 19<sup>th</sup> November 21<sup>st</sup>, respectively.

Lorez Meinhold, of the Keystone Group, reported that the Public Education & Outreach team held 16 meetings with over 425 attendees. The feedback from the attendees was that people saw and valued higher education as a public good, that there was a value in higher education

providing opportunities in creating and training a future work force and in creating innovation. The priorities expressed were serving low income, first generation, underserved students primarily and then secondarily degree and certificate completion.

The Cost Driver Analysis Team, led by CFO, Diane Duffy, has taken a backseat until after the model work and will be gearing up after the model is completed.

The FAMET, led by Dr. Beth Bean, Chief Research Officer, has been working with the vendor on the structure and the architecture of the model after the conclusion of the October CCHE meeting. It took several weeks to pull the needed data. Early in this process, they had decided to use the most current and relevant data that was available. One thing the FAMET is doing, that is unique to other states, is using student record data. Many other states use aggregate data as they populate their funding model. There are three primary advantages for going in this direction. The first is that it will complement the cost driver analysis. Secondly, the sustainability and the scalability of the data added each year to this database will give the data and finance teams the ability to look back at historical trends and do some predications as they go forward. The third, and most important advantage, is the accuracy of the information.

Mark Cavanaugh explained a large focus of the FAMET meeting is on the role and mission portion of the model and why the process has chosen to gravitate towards a different approach. What is known is the current year total available funding. That information has to be broken into components under HB14-1319. Before that occurs, an amount of funding for specialty education and direct grant programs need to be subtracted in order to arrive at that total state appropriation. The total state appropriation have three components that the amount breaks into: the COF stipend; role and mission; and performance. The COF stipend cannot be less than 52.5 percent of the total funds and that the role and mission factors need to be fairly balanced, though that isn't specifically defined.

Mr. Cavanaugh explained the recent modification to the structure of the Role and Mission component of the funding model. This modification utilizes one calculation to account for the role and mission factors spelled out in the legislation, under Section 23-18-303(3), by taking an institution's total completed student credit hours for a year and multiplying that by a weighted discipline cluster according to a recognized cost-informed matrix. The change was prompted by concerns expressed about the complexity of the approach to the role and mission factors and the grouping and indexing methodology, NCHEMs went back to the drawing board to create a simpler, more direct approach to the role and mission component of the model. The modification that NCHEMS proposed is as follows: under the role and mission piece, Pell (at least 10 percent) of COF, URM (underrepresented minorities) and low student enrollment need to be peeled off. After those factors have been subtracted, what remains is the amount available for weighted credit hours. URM is not defined but it has to be treated in a similar fashion to the Pell.

Once Pell, URM and low enrollment have been peeled off, all other factors in roll and mission (undergraduate high cost, graduate high cost, remediation, selectivity, number of campuses, research and urban/rural) are addressed by using the model for Nevada that NCHEMS developed and the weighted course hour matrix, as shown in the PowerPoint presentation.

Dennis Jones of NCHEMS went into further explanation of why the original model was too complicated and believed that with the modification the model captures the pieces of the role and mission component being struggling with. He said there is empirical basis behind the model modification. There is a lot of data from other state's cost studies that support the weights used in the Nevada model and that model has been vetted in multiple other states.

Commissioner Moses added that the amount of money allocated, by the time it is broken down to all of the factors, is going to be very, very small sums of money from one institution to another and that he believes the overall equation of the Nevada model will be the fairest way that we could go.

Commissioner Garcia said that in looking at the weights that were developed for Nevada it looks like two different categories. One is the community colleges and state college's side and then the university side. She asked if the plan is to use two distinct models that weight those two institutions different.

Mr. Jones replied that they are building into the model the weights that Nevada shows as the four year institution weights. Ms. Weaver added that the weights were achieved by looking at all of the actual costs that were submitted by the states and by the various different institutions. It runs a broad breadth of rural and urban institutions, small and large, selective open access, and all of the drivers that contribute to that, resulting in the actual figures.

Ms. Weaver suggested that Mr. Jones explain that these are cost studies that were done in multiple states and takes into consideration a lot of different factors that determined the weights. Mr. Jones said that the background is there are several states in the country that annually do cost studies and NCHEMS has access to the results. NCHEMS then reduced their cost data to an index value. One of the reasons that NCHEMS selected the slightly higher rates that are shown in what Nevada called its university clusters. Going back to the factors that NCHEMS are building into this, it is high cost undergraduate and graduate programs. It is also research. And the fact that there's a small bump at the graduate level in particular, reflect recognition of the research mission. The cost studies reflect the relative costs of doing business in these various disciplines at the graduate and undergraduate level.

Lt Governor Garcia made it clear that this is not a value statement about what things ought to cost but a result of studies on what things actually do cost.

On the Performance side of the model, Mr. Cavanaugh explained that Performance Metrics must be applied uniformly to all governing boards. Additionally, because the Performance Metrics are based on counts, no indexing is necessary. Completion weighting is done by academic level and subject (high demand fields such as STEM and health care). There are also additional bonuses for completions awarded to and transfers of Pell-eligible and underserved populations. There are no additional population bonuses for Retention and the Increase in Completions metric.

Mr. Cavanaugh concluded his overview of the model's structure by commenting on the "cost of operations" and "guardrails" features of the model. The "cost of operations" is a variable in the model that can be used to provide a specific dollar amount to an institution or governing board. The "guardrails" feature is a requirement under HB 14-1319, which states that for fiscal years 2015-16 through FY2019-20, the total appropriation to a governing board shall not change plus-or-minus more than 5 percent than the change in Total State Appropriations from the preceding year. In the model being developed by NCHEMS, the "guardrails" feature works by using an algorithm that redistributes funds from net-gaining boards to bring another board's percentage difference to the amount set in the "guardrails" parameter.

Commissioner Moses told Mr. Cavanaugh that he wondered whether that particular provision was adequate or not. Mr. Cavanaugh replied that in the near term the answer is that we will see if it is. His opinion is that using guardrails shouldn't be used in order to make everything balance, if at all possible. Mr. Cavanaugh said that in case of an economic downturn resulting in lower state appropriations, decisions can be made by the general assembly at any time and proposed through the governor's office that might be able to correct for those downturns. Ms. Weaver added that the transparency and the simplicity of the model, along with the direction it is going now, will allow for easily looking at what a change would be in state allocations due to a downturn.

Ms. Weaver addressed the two actions items for approval by the Commission. The first is adding the metrics for the underserved students. The FAMET and the EAG recommendation is to include metrics for underserved students both on the role and mission side and on the performance side. Underserved would be defined as it is listed in the Colorado Commission of Higher Education's master plan. For role and mission, the underserved will be based on underserved credit hours as a percentage of the COF stipend. On the performance side it would be an additional bonus for each completion and transfer by a student identified as underserved.

Commissioner Moses moved to approve the model modifications. The motion was seconded by Vice Chair Pacey and unanimously passed.

The second action item is acting on the modifications of the structure of the role and mission component of the funding allocation model. The bill very specifically says that the role and mission side of the formula is to provide funding to the institutions to offset their costs in providing undergraduate and graduate programs. In looking at the way the Nevada cost matrix

was developed, it takes into consideration rural and urban institutions, small and large, research and non-research, access and/or selectivity.

Commissioner Scott moved to approve the modifications of the structure of the role and mission component of the funding allocation model. The motion was seconded by Commissioner Moses and unanimously passed.

Ms. Weaver then informed the Commissioners that the model had an inclusion for an extra credit for successful remediation on the performance side. The bill very clearly states that similar institutions must be treated similarly on the role and mission side and on the performance side. The FAMET has recommended eliminating this metric because this additional metric would not apply to all institutions.

The Executive Advisory Group felt differently. They did not accept that recommendation and pushed it back to the FAMET. They asked for the FAMET to continue to keep it as a part of the model. This will be going back to the FAMET. It doesn't mean that the FAMET might not still recommend that it be eliminated from the model but is undetermined at this point.

Vice Chair Pacey moved to adjourn. The motion was seconded by Commissioner Scott. The meeting was adjourned at 2:45pm.